


SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS <i>OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, AND 30</i>				1. REQUISITION NUMBER W45G1863251123		PAGE 1 OF 20	
2. CONTRACT NO. W911RQ-07-P-0117		3. AWARD/EFFECTIVE DATE 22-Mar-2007		4. ORDER NUMBER		5. SOLICITATION NUMBER W911RQ-07-T-0041	
7. FOR SOLICITATION INFORMATION CALL:		a. NAME JOSHUA P. BARBERO				b. TELEPHONE NUMBER (No Collect Calls) 903-334-4283	
9. ISSUED BY RED RIVER ARMY DEPOT DIRECTORATE FOR CONTRACTING 100 MAIN DRIVE BUILDING 431 TEXARKANA TX 75507-5000 TEL: FAX:		CODE W911RQ		10. THIS ACQUISITION IS <input type="checkbox"/> UNRESTRICTED <input checked="" type="checkbox"/> SET ASIDE: 100 % FOR <input checked="" type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> 8(A) NAICS: 334515 SIZE STANDARD: 500		11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input checked="" type="checkbox"/> SEE SCHEDULE <input type="checkbox"/> 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) 13b. RATING 14. METHOD OF SOLICITATION <input checked="" type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP	
15. DELIVER TO RED RIVER ARMY DEPOT XR CONSOL PROP OFF DDRT BLDG 499 10TH STREET AND K AVENUE TEXARKANA TX 75507-5000		CODE W45G18		16. ADMINISTERED BY JOSHUA BARBERO PHONE: 903-334-4283 FAX: 903-334-2628 JOSHUA.P.BARBERO@US.ARMY.MIL TEXARKANA TX 75507-5000			
17a. CONTRACTOR/OFFEROR MAGSYS MAGNET SYSTEMS LLC. JAMES MURPHY 2401 BEECH ST. APT. D. VALPARAISO IN 43683-6105 TEL. 219-548-2202		CODE 3GJU0 FACILITY CODE 3GJU0		18a. PAYMENT WILL BE MADE BY DFAS - ROCK ISLAND OPERATING LOCATION ATTN: DFAS-RI-FPV BLDG 68 ROCK ISLAND IL 61299-8300			
<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER		18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a. UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM					
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/ SERVICES			21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	SEE SCHEDULE						
25. ACCOUNTING AND APPROPRIATION DATA See Schedule					26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$36,050.00		
<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1. 52.212-4. FAR 52.212-3. 52.212-5 ARE ATTACHED.				ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED			
<input type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED.				ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED			
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN <u>1</u> COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN. REF: Offeror: James Murphy				29. AWARD OF CONTRACT: REFERENCE <input type="checkbox"/> OFFER DATED . YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS: SEE SCHEDULE			
30a. SIGNATURE OF OFFEROR/CONTRACTOR				31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)		31c. DATE SIGNED	
						22-Mar-2007	
30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT)		30c. DATE SIGNED		31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT) DONALD E. KENNEDY / CONTRACTING OFFICER TEL: 903-334-2656 EMAIL: donald.kennedy1@us.army.mil			

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS (CONTINUED)				PAGE 2 OF 20	
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/ SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	SEE SCHEDULE				
32a. QUANTITY IN COLUMN 21 HAS BEEN <input type="checkbox"/> RECEIVED <input type="checkbox"/> INSPECTED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____					
32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE			32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
			32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
33. SHIP NUMBER		34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR		36. PAYMENT
<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL			<input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		37. CHECK NUMBER
38. S/R ACCOUNT NUMBER	39. S/R VOUCHER NUMBER	40. PAID BY			
41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT 41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER		41c. DATE	42a. RECEIVED BY <i>(Print)</i>		
			42b. RECEIVED AT <i>(Location)</i>		
			42c. DATE REC'D <i>(YY/MM/DD)</i>	42d. TOTAL CONTAINERS	

Section SF 1449 - CONTINUATION SHEET

DEPOT POC

DEPOT POC: is Calvin Etheridge@ 903-334-2097

DEMONSTRATION

The Government accepts Magsys offer to build a magnetizing fixture as a demonstration coil at no cost to the Government prior to final production of the magnetizer purchased by this contract. Date and time of the demonstration is to be coordinated with the contract administrator, Mr. Joshua Barbero (903) 334-4283.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001		1	Each	\$36,050.00	\$36,050.00

MAGNETIZER, STAND ALONE**FFP**

Personnel from Magsys Magnet Systems LLC. will come to Red River Army Depot in Texarkana, Texas where they will demonstrate the magnetizing fixture before they build the system. In addition, Magsys will also comply with documents found in additional instructions and specifications found in FAR Clause 52.000-4050, the MAGSYS MAGNET SYSTEMS Magnetizer type MC 2k1.2 will also consist of the following:

Pos. 1 Magnetizer Type MC 2K1.2

2. MAX ENERGY.....2000Joules/WattSeconds of Energy

3. CAPACITOR BANK..... total of 1000mF metal paper capacitors. These are special capacitors to decrease the heat.

4. MAX CHARGING VOLTAGE..... 2000V. With the higher voltage, it makes the system more efficient. According to the Magsys the respective voltage (i.e. magnetizing field strength) can be controlled either manually via the controlpanel of the machine, or via serial interface.

4. VOLTAGE MEASUREMENT.....The accuracy of the charging voltage is +-5V when in the range of 200V...2000V. This can be seen on the digital display. This is a MAGSYS magnet system advantage.

5. SHAPE OF THE CURRENT PULSE..... Rise and decay of the output current are sinusoidal. As this type of pulse causes the shortest pulse duration, it will minimize the fixture's heating up and give it a much longer lifetime. We don't need water to cool. This is a MAGSYS magnet system advantage.

6. OUTPUTS.....This magnetizer has one output for one fixture.

7. MAXIMUM OUTPUT OF CURRENTt...4kA at normal operation. The actual peak output current and the pulse duration depend on the impedance of the fixture.

8. CURRENT MEASUREMENT..... The output current is measured at an accuracy of 1%. Its variation in time can be observed by using the available analog output and an oscilloscope This is a MAGSYS magnet system advantage.

9. OUTPUT IMPEDANCE...typ. 2.5μH / 2m (depending on output current) short circuit.....In case of short circuit inside the magnetizing fixture, the peak current will reach up to abt. 60kA. Under normal conditions, the magnetizer will stand this stress without damage, if not repeated. This is a special MAGSYS magnet system advantage

10. CHARGING SECTION.....The following details refer to a charging voltage of 2kV and an energy of 2000Watts

11. CHARGING CAPACITY....600 Watts per second.

12. RECHARGE TIME..... approx 4seconds

13. POWERLINE VOLTAGE....110 or 230V AC ± 10% - single-phase current 60Hz +5%.

FOB: Origin

NSN: 494000X056004

MILSTRIP: W45G1863251123

PURCHASE REQUEST NUMBER: W45G1863251123

NET AMT	\$36,050.00
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ACRN AA	\$36,050.00
CIN: W45G18632511230001	

INSPECTION AND ACCEPTANCE TERMS

Supplies/services will be inspected/accepted at:

CLIN	INSPECT AT	INSPECT BY	ACCEPT AT	ACCEPT BY
0001	Destination	Government	Destination	Government

DELIVERY INFORMATION

CLIN	DELIVERY DATE	QUANTITY	SHIP TO ADDRESS	UIC
0001	30-MAY-2007	1	RED RIVER ARMY DEPOT XR CONSOL PROP OFF DDRT BLDG 499 10TH STREET AND K AVENUE TEXARKANA TX 75507-5000 FOB: Origin	W45G18

Fob: Valparaiso, IN

Ship prepaid via the most economical means. Show the freight charges as a separate line item on the invoice. If transportation charges exceed \$100.00, attach a copy of the prepaid freight bill. Full payment cannot be made without your full cooperation.

DDRT Authorized personnel of the DDRT, building 499 Receiving: Darlene Phelps, 903-334-3818 will be responsible for insuring that the completed receiving report, -plus any packing slips be forwarded to Contract Administrator Joshua Barbero BLDG.# 431, office phone # 903-334-4283 within 48 hours of receipt of material.

ACCOUNTING AND APPROPRIATION DATA

AA: 97X4930.AAPP6D 31EA5UB100W45G1863251123Z94960041117
AMOUNT: \$36,050.00

CIN W45G18632511230001: \$36,050.00

CLAUSES INCORPORATED BY REFERENCE

52.212-4	Contract Terms and Conditions--Commercial Items	SEP 2005
52.222-1	Notice To The Government Of Labor Disputes	FEB 1997
52.225-13	Restrictions on Certain Foreign Purchases	FEB 2006
52.232-1	Payments	APR 1984
52.233-3	Protest After Award	AUG 1996
52.234-4	Earned Value Management System	JUL 2006
52.243-1	Changes--Fixed Price	AUG 1987
52.247-32	F.O.B. Origin, Freight Prepaid	FEB 2006

CLAUSES INCORPORATED BY FULL TEXT

52.000-4003 ISO 9001:2000 REGISTERED
Red River Army Depot, an ISO 9001:2000 registered industrial complex, is committed to quality.

52.000-4050 ADDITIONAL INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

The following verbage is from is a letter sent from Magsys Magnet Systems LLC. to the contracting office at Red River Army Depot in Texarkana, Texas on February 26, 2007. Magsys will adhere and comply with all verbage within this letter as well as the original peformance specifications that contribute to the overall training manufacturing and waranty/licencing duties this magnetizer.

I apologize for my timing delay in getting this quote to you. But in order to do a thorough job in this project it will take a lot of discussion in this.

For some reason, you asked for a quote for a specific magnetizer stated that must have the following standard features of Maximun Energy storage of 25,600 Joules. You also stated that this must be in steps of 1.25mFarad up to 80mFarad max. This Maximun of 80mFarad would then give you 25,600 Joules of Energy when you had the capacitors set to 800Volts.

However, after doing the research at your facility in Red River, the 2 motors that you were most interested in re-working require only an energy of 2,500 Joules and not anywhere near the 25,600 Joules. According to the

technicians it might be needed later on do to some other permanent magnet motors but at this time the 2 motors that I inspected were made with AlNiCo magnets and they don't require much energy to magnetize.

An advantage of our system is that in the future you can easily slide in the rack more capacitors (as many as you like) to then get to the required energy to magnetize your "Future" motors. Each motor that you are trying to magnetize would then need a new magnetizing fixture. But why spend the extra money now, if you don't need to magnetize the extra capacitors. If you need the extra capacitors later, then when you buy the new magnetizing coil for this motor, then you can also purchase the more capacitors.

Another thing listed in your quote was that the machine must have the ability to switch the capacitance inside from 1.25mFarad up to 80mFarad. Yes, we can build something like this but it is not necessary. This ability to switch capacitance was only good when you didn't have a digital display to control/check the current. Our systems have a built-in current measuring device for quality control of the amount of current needed to magnetize a magnet. This feature is a better quality control check, then the ability to switch the capacitors. Because a magnet is magnetized by running a specific amount of current into a wire(magnetizing coil). If you can control this current and then check it continuously, then you will know the magnetizer did it's job correctly.

Another thing that you asked for in the quote was voltage of up to 800Volts. The higher the voltage, the more efficient the system will be. We have *always* used the 2000V systems. This creates less heat inside the magnetizing coil. We have a system at Hill AFB that has been using this since 2002 with no problems as well as Rockwell, PacificScientific, Bodine and numerous other customers. The lower voltage capacitors are usually electrolytic type capacitors and they don't have as long a lifetime compared to the higher voltage metal-paper capacitors that we use. A lot of the "older style" magnetizing systems still use the 800Volts.

You then stated in the quote that the 4-pole and 6-pole fixture must be hooked to a power supply and this power supply must put out 100 Amperes at 10Volts and should be adjustable with constant current.

I am not sure why this was included in the quote specification. After visiting your site, I learned from the technicians that they would try to "bang" the magnet to lower the magnetism inside the magnet. We will provide a single magnetizing fixture for each motor and then a single measuring fixture for each motor. This way the operator/technician can magnetize the magnet in the one fixture, he will then be able to measure this magnet in the "Hand-Conditioning Fixture" that is hooked to the fluxmeter.

From my experience with another application for a similar motor in the US Navy, this is how this is accomplished. We magnetize the magnet to saturation. Then the 4-pole/6-pole magnet is moved to the measuring fixture. The magnet is then measured with the measuring fixture and the fluxmeter. When this value is determined, the magnet is placed back inside the magnetizing fixture and hit with a reverse field/de magnetizing the magnet to a certain level. After this is completed, **THE OPERATOR MUST BE CAREFUL NOT TO ALLOW THE MAGNET TO COME IN CONTACT WITH ANY FERRITE OBJECTS. IF THE OPERATOR ACCIDENTALLY TOUCHES THE MAGNET OR DROPS THE MAGNET, IT WILL LOSE SOME OF ITS MAGNETISM. HE WILL THEN HAVE TO THE OPERATION AGAIN.**

This process of magnetizing and de magnetizing and measuring of the magnet will take approximately less than 1 minute per magnet. So if worse case and the operator did make a mistake, it is not a lot of time required to re-start this procedure.

Our fluxmeter and magnetizing system is all digital. NO ANALOG NEEDLES. The systems are very easy to work and user friendly. I think another main importance of this project is to train the operation personnel carefully on the way to handle the magnets and working of the fluxmeter to measure them.

We will also include in our quote a handheld gaussmeter that can be used by the technicians for some quick referencing and also to check the proper polarity after the process is completed. This was not asked for in the quote

but I believe the value of this \$325 handheld gaussmeter will be something that will come in very handy for the technicians to make some simple reference checks.

IF YOUR COMPANY WOULD LIKE, WE COULD BUILD A MAGNETIZING FIXTURE AS A DEMONSTRATION COIL FREE OF CHARGE. IF THIS WORKED, THEN WE WOULD BUILD THE COMPLETE SYSTEM.

Our magnetizing system has numerous built in QC checks to make sure each magnetizing pulse was done correctly. Also the system is completely digital which will allow you to be very accurate with your de-magnetizing pulses. The voltage on the display will be accurate as ± 2.5 volts. The magnetizing system will constantly re-check the voltage of the capacitors and then continuously refill the capacitors to the specified voltage with an accuracy of ± 2.5 Volts until they are fired. This will assure that the capacitors are correctly filled when it comes time to fire the SCR. The voltage is constantly displayed on the lighted keyboard. **NO ANALOG DISPLAY**. The voltage can be changed digitally.

Pos. 1 Magnetizer Type MC 2K1.2

<u>max. energy</u>	2000Joules/WattSeconds of Energy
<u>capacitor bank</u>	total of 1000mF metal paper capacitors. These are special capacitors to decrease the heat
<u>max. charging voltage</u>	2000V. With the higher voltage, it makes the system more efficient. the respective voltage (i.e. magnetizing field strength) can be controlled either manually via the controlpanel of the machine, or via serial interface.
<u>voltage measurement</u>	The accuracy of the charging voltage is $\pm 5V$ when in the range of 200V...2000V. This can be seen on the digital display. <i>This is a MAGSYS magnet system advantage</i>
<u>shape of current pulse</u>	Rise and decay of the output current are sinusoidal. As this type of pulse causes the shortest pulse duration, it will minimize the <i>fixture's heating up</i> and give it a much longer lifetime. We don't need water to cool. <i>This is a MAGSYS magnet system advantage</i>
<u>outputs</u>	This magnetizer has one output for one fixture.
<u>max. output current</u>	4kA at normal operation. The actual peak output current and the pulse duration depend on the impedance of the fixture.
<u>current measurement</u>	The output current is measured at an accuracy of 1%. Its variation in time can be observed by using the available analog output and an oscilloscope <i>This is a MAGSYS magnet system advantage</i>
<u>output impedance</u>	typ. $2.5\mu H / 2m\Omega$ (depending on output current)

<u>short circuit</u>	In case of short circuit inside the magnetizing fixture, the peak current will reach up to abt. 60kA. Under normal conditions, the magnetizer will stand this stress without damage, if not repeated. <i>This is a special MAGSYS magnet system advantage</i>
<u>charging section</u>	The following details refer to a charging voltage of 2kV and an energy of 2000Watts
<u>charging capacity</u>	600 Watts per second.
<u>recharge time</u>	approx 4seconds
<u>power line voltage</u>	110 or 230V AC \pm 10% - single-phase current 60Hz \pm 5%,

Control and operation of the magnetizer

The machine is internally controlled by a Motorola microprocessor. The operation panel is equipped with a foil keyboard, thus being protected against moisture and dirt. The information is displayed on a graphical LCD (visible area 135mm x 40mm). The display is resistant against magnetic fields and is fitted with green background illumination.

By using the keyboard, you can input values such as charging voltage, limits of peak current monitoring, selection of output, and other parameters. Manual control of recharging, firing etc. also can be done by this keyboard. On the other hand, it is also possible to use remote control and the device's automatic control system via RS232 or serial interface or PLC. All settings are stored permanently inside the magnetizer, so that in case of power fail or after switching off the machine none of these data are lost. When switched on again, the magnetizer can continue operation without any need of new entries.

The voltage of the capacitors is permanently displayed. ***This is a MAGSYS magnet system advantage.***

After a pulse has been fired, the peak current is also displayed.

Moreover, the software contains several service functions to ease checking of the machine in case of accident.

The magnetizer's serial interface makes fast software updates possible. The only thing required is a PC. By this, any changes in order to fit the equipment to varied production environment can be done within short time and at low cost.

Safety Features

The magnetizer is equipped with a number of safety features. Through these, a trouble-free and safe operation of the magnetizer can be safeguarded.

Charging process The charging process is continuously controlled by the microprocessor system. If a malfunction of the power unit (Capacitors) should happen, The capacitors are separated from the supply unit and will be discharged internally to a set of special resistors.

<u>Temperature</u>	The temperature of the magnetizing fixture is measured. On reaching the preselected limiting values, the magnetizing system will be stopped.								
<u>Capacitor voltage</u>	The voltage at the capacitor banks is controlled both by the microprocessor system and by the independent circuit. This independent circuit is an added safety.								
<u>Emergency Off</u>	The magnetizer is equipped with an emergency off button on the front side.								
<u>Discharge of the Capacitor banks</u>	The capacitor banks are automatically discharged during malfunctioning of the system. This can be done manually via the operating panel's emergency stop button. Even during a power failure when the system has no outside energy, the capacitor bank is discharged with the internal energy via a special module. <i>This is a MAGSYS magnet system advantage</i>								
<u>Power Monitor</u>	The output current is measured and displayed during magnetization. The minimum and maximum limiting values can be preselected via the control board. The system will be switched off when these limited values are exceeded.								
<u>EnclosureDimensions</u>	(48") x 600(23") x 900(35") mm ³ (H x W x D)								
Type of Protection	IP 20 as per DIN 40050 (touch protection; protection against medium-sized objects Ø >12mm; no water-protection)								
Color	RAL7035 light grey, RAL7030 stone grey								
Documentation	The following documents will be delivered together with the system: <table><tr><td>Operating Manual</td><td>Setup Manual</td></tr><tr><td>Test Protocol</td><td>Trubleshooting</td></tr><tr><td>Complete wiring diagrams</td><td>Parts Lists</td></tr><tr><td>List of recommended spare parts</td><td>CE - Declaration</td></tr></table>	Operating Manual	Setup Manual	Test Protocol	Trubleshooting	Complete wiring diagrams	Parts Lists	List of recommended spare parts	CE - Declaration
Operating Manual	Setup Manual								
Test Protocol	Trubleshooting								
Complete wiring diagrams	Parts Lists								
List of recommended spare parts	CE - Declaration								

Pos 2 Magnetizing Fixture MFWa 4/72

Magnetizing fixture for magnetization of AlNiCo magnets in 4 pole with the magnetizer quoted in Pos. 1.

Pos 3 Magnetizing Fixture MFWa 6/72

Magnetizing fixture for magnetization of AlNiCo magnets in 6 pole with the magnetizer quoted in Pos. 1.

Pos. 4 Measuring coil for 4-pole

This coil when hooked to the fluxmeter in Pos 6, will allow the operator to measure the magnet.

Pos. 5 Measuring coil for 6-pole

This coil when hooked to the fluxmeter in Pos 6, will allow the operator to measure the magnet.

Pos. 6 F2-Fluxmeter

The fluxmeter will be able to display in 4 $\frac{3}{4}$ digits and will have 4 measuring ranges, as well as a automatic ranging function. The fluxmeter has a built-in self calibration feature so the technicians can on-site take care that the meter is working properly. The zero'ing is also done by a simple touch of the buttons on the display.

Pos. 7 Quality Assurance Testing Criteria

I think this will be done under the training criteria. When the system is delivered, the engineer from MAGSYS magnet systems doing the training will take care that the motors are working correctly and help set-up the proper procedure for the processing of each magnet

Prices

<i>Pos</i>	<i>Description</i>	<i>Price in USD</i>
<u>1</u>	<u>Pos. 1 Magnetizer Type MC 2K1.2</u>	<u>18,000.00</u>
<u>2</u>	<u>Pos 2 Magnetizing Fixture MFWa 4/72</u>	<u>4,800.00</u>
<u>3</u>	<u>Pos 3 Magnetizing Fixture MFWa 6/72</u>	<u>4,800.00</u>
<u>4</u>	<u>Pos. 4 Measuring coil for 4-pole</u>	<u>1,900.00</u>
<u>5</u>	<u>Pos. 5 Measuring coil for 6-pole</u>	<u>1,900.00</u>
<u>6</u>	<u>Pos. 6 F2-Fluxmeter</u>	<u>3,150.00</u>
<u>7</u>	<u>Pos. 7 Quality Insurance and Testing and Training</u>	<u>1,500.00</u>
		<u>\$36,050.00</u>

Warranty

Within 12 months after delivery or set up through us, we guaranty the functioning of the system. This also comprises the exchange of defective parts and necessary work in our workshop. This does not comprise travel expenses.

Mounting / Set up

Mounting and set up of the systems are not part of this quotation. This includes pneumatics loading parts in and out of fixtures

Terms of trade

If not agreed upon otherwise, next to the legal regulations the general conditions of Supply and Delivery for Products and Services of the Electrical Industry (ZVEI) are valid.

Terms of Delivery

The actual delivery period is approx. 12-weeks after order acknowledgment, depending on the date of order. Delivery ex works Dortmund

Terms of Payment are negotiable

Regards,

A handwritten signature in black ink that reads "James Murphy". The signature is written in a cursive, flowing style with a large loop at the beginning of the first name.

James Murphy
MAGSYS magnet systems, LLC

52.211-17 DELIVERY OF EXCESS QUANTITIES (SEP 1989)

The Contractor is responsible for the delivery of each item quantity within allowable variations, if any. If the Contractor delivers and the Government receives quantities of any item in excess of the quantity called for (after considering any allowable variation in quantity), such excess quantities will be treated as being delivered for the convenience of the Contractor. The Government may retain such excess quantities up to \$250 in value without compensating the Contractor therefor, and the Contractor waives all right, title, or interests therein. Quantities in excess of \$250 will, at the option of the Government, either be returned at the Contractor's expense or retained and paid for by the Government at the contract unit price.

52.211-4009 DELIVERIES TO RED RIVER ARMY DEPOT (RRAD)

Receiving hours at Red River Army Depot are from 7:00 AM to 1:00 PM, Monday through Friday (excluding Federal holidays). Telephone (903) 334-3520.

52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS--COMMERCIAL ITEMS (SEP 2006)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

(1) 52.233-3, Protest After Award (AUG 1996) (31 U.S.C. 3553).

(2) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004) (Pub. L. 108-77, 108-78).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items: (Contracting Officer check as appropriate.)

___ (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (SEP 2006), with Alternate I (OCT 1995) (41 U.S.C. 253g and 10 U.S.C. 2402).

___ (2) 52.219-3, Notice of HUBZone Small Business Set-Aside (Jan 1999) (15 U.S.C. 657a).

___ (3) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (JUL 2005) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).

___(4) [Removed].

X ___ (5)(i) 52.219-6, Notice of Total Small Business Set-Aside (JUNE 2003) (15 U.S.C. 644).

___ (ii) Alternate I (OCT 1995) of 52.219-6.

___ (iii) Alternate II (MAR 2004) of 52.219-6.

___ (6)(i) 52.219-7, Notice of Partial Small Business Set-Aside (JUNE 2003) (15 U.S.C. 644).

___ (ii) Alternate I (OCT 1995) of 52.219-7.

___ (iii) Alternate II (MAR 2004) of 52.219-7.

___ (7) 52.219-8, Utilization of Small Business Concerns (MAY 2004) (15 U.S.C. 637 (d)(2) and (3)).

___ (8)(i) 52.219-9, Small Business Subcontracting Plan (SEP 2006) (15 U.S.C. 637(d)(4)).

___ (ii) Alternate I (OCT 2001) of 52.219-9

___(iii) Alternate II (OCT 2001) of 52.219-9.

___ (9) 52.219-14, Limitations on Subcontracting (DEC 1996) (15 U.S.C. 637(a)(14)).

___ (10)(i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (SEP 2005) (10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).

___ (ii) Alternate I (JUNE 2003) of 52.219-23.

___ (11) 52.219-25, Small Disadvantaged Business Participation Program--Disadvantaged Status and Reporting (OCT 1999) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

___ (12) 52.219-26, Small Disadvantaged Business Participation Program--Incentive Subcontracting (OCT 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

- ___ (13) 52.219-27, Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside (May 2004).
- X ___ (14) 52.222-3, Convict Labor (JUNE 2003) (E.O. 11755).
- X ___ (15) 52.222-19, Child Labor--Cooperation with Authorities and Remedies (JAN 2006) (E.O. 13126).
- ___ (16) 52.222-21, Prohibition of Segregated Facilities (FEB 1999).
- ___ (17) 52.222-26, Equal Opportunity (APR 2002) (E.O. 11246).
- ___ (18) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006) (38 U.S.C. 4212).
- ___ (19) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793).
- ___ (20) 52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006) (38 U.S.C. 4212).
- ___ (21) 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004) (E.O. 13201).
- ___ (22)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (AUG 2000) (42 U.S.C. 6962(c)(3)(A)(ii)).
- ___ (ii) Alternate I (AUG 2000) of 52.223-9 (42 U.S.C. 6962(i)(2)(c)).
- ___ (23) 52.225-1, Buy American Act--Supplies (JUNE 2003) (41 U.S.C. 10a-10d).
- ___ (24)(i) 52.225-3, Buy American Act--Free Trade Agreements--Israeli Trade Act (JUN 2006) (41 U.S.C. 10a-10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, Pub. L. 108-77, 108-78, 108-286 and 109-53).
- ___ (ii) Alternate I (JAN 2004) of 52.225-3.
- ___ (iii) Alternate II (JAN 2004) of 52.225-3.
- ___ (25) 52.225-5, Trade Agreements (JUN 2006) (19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).
- X ___ (26) 52.225-13, Restrictions on Certain Foreign Purchases (FEB 2006) (E.O.s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of Treasury).
- ___ (27) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (42 U.S.C. 5150).
- ___ (28) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (42 U.S.C. 5150).
- ___ (29) 52.232-29, Terms for Financing of Purchases of Commercial Items (FEB 2002) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
- ___ (30) 52.232-30, Installment Payments for Commercial Items (OCT 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
- X ___ (31) 52.232-33, Payment by Electronic Funds Transfer--Central Contractor Registration (OCT 2003) (31 U.S.C. 3332).

____ (32) 52.232-34, Payment by Electronic Funds Transfer--Other than Central Contractor Registration (MAY 1999) (31 U.S.C. 3332).

____ (33) 52.232-36, Payment by Third Party (MAY 1999) (31 U.S.C. 3332).

____ (34) 52.239-1, Privacy or Security Safeguards (AUG 1996) (5 U.S.C. 552a).

____ (35)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx 1241(b) and 10 U.S.C. 2631).

____ (ii) Alternate I (APR 2003) of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items: [Contracting Officer check as appropriate.]

____ (1) 52.222-41, Service Contract Act of 1965, as Amended (JUL 2005) (41 U.S.C. 351, et seq.).

____ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (MAY 1989) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

____ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act--Price Adjustment (Multiple Year and Option Contracts) (MAY 1989) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

____ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act--Price Adjustment (February 2002) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

(d) Comptroller General Examination of Record. The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records--Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) (1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in paragraphs (i) through (vi) of this paragraph in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause--

(i) 52.219-8, Utilization of Small Business Concerns (May 2004) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns)

exceeds \$550,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(ii) 52.222-26, Equal Opportunity (April 2002) (E.O. 11246).

(iii) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006) (38 U.S.C. 4212).

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (June 1998) (29 U.S.C. 793).

(v) 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004) (E.O. 13201).

(vi) 52.222-41, Service Contract Act of 1965, as Amended (Jul 2005), flow down required for all subcontracts subject to the Service Contract Act of 1965 (41 U.S.C. 351, et seq.).

(vii) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the contractor May include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(End of clause)

52.232-4059 CONTRACTOR INVOICE

Payment will be made via Electronic Fund Transfer to the EFT address loaded in the Central Contractor Register (CCR).

Following are items that must be on your invoice:

1. Name and address of contractor/vendor.
2. Invoice date.
3. Contract or purchase order number.
4. Line item number, with description, quantity, unit of measure, unit price and extended price of supplies delivered or services performed.
5. Shipping and payment terms (for example, shipment number and date of shipment, prompt payment discount terms). Bill of lading number and shipment will be shown for shipments on government bills of lading.
6. Name and address of contractor official to whom payment is to be sent (if remittance is to an address other than that on contract/purchase order, and a proper "Notice of Assignment" or separate remittance address is indicated in contract/purchase order).
7. Name, title, telephone number and mailing address of person to be notified in event of a defective invoice.
8. Any other information or documentation required by the contract/purchase order (evidence of shipment, acceptance test, etc.).

Invoice must be marked "Original".

Mail or fax all invoices to the following address:

DFAS - Rock Island Operating Location
ATTN: DFAS-RI-FPV Bldg 68
Rock Island, IL 61299-8300

FAX: 877-426-4270

52.233-2 SERVICE OF PROTEST (SEP 2006)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from _____. (Contracting Officer designate the official or location where a protest may be served on the Contracting Officer.)

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of provision)

52.246-4001 INSPECTION AND ACCEPTANCE

Red River Army Depot
Texarkana, Texas

52.247-4049 PACKAGING & MARKING

Material is to be packaged and packed in a manner to afford adequate protection against damage during shipment from supply source

to destination. Package and pack shall conform to the applicable carrier rules, regulations and tariffs and may be the industry standard commercial practice. All unit, intermediate and exterior packs shall, as a minimum, be marked as follows by any means which provides legibility and durability: Federal Stock Number and/or Manufacturer's Part Number; Noun; Quantity; Purchase Order Number; Requisition Number; Mark for Bldg; and Ship To. Exterior shipping containers shall contain a packing list or other documentation setting forth contents.

252.212-7001 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS (NOV 2006)

(a) The Contractor agrees to comply with the following Federal Acquisition Regulation (FAR) clause which, if checked, is included in this contract by reference to implement a provision of law applicable to acquisitions of commercial items or components.

___ 52.203-3, Gratuities (APR 1984) (10 U.S.C. 2207).

(b) The Contractor agrees to comply with any clause that is checked on the following list of Defense FAR Supplement clauses which, if checked, is included in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items or components.

(1) ___ 252.205-7000, Provision of Information to Cooperative Agreement Holders (DEC 1991) (10 U.S.C. 2416).

(2) ___ 252.219-7003, Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (DoD Contracts) (APR 1996) (15 U.S.C. 637).

(3) ___ 252.219-7004, Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (Test Program) (JUN 1997) (15 U.S.C. 637 note).

X (4) ___ 252.225-7001, Buy American Act and Balance of Payments Program (JUN 2005) (41 U.S.C. 10a-10d, E.O. 10582).

(5) ___ 252.225-7012, Preference for Certain Domestic Commodities (JUN 2004) (10 U.S.C. 2533a).

(6) ___ 252.225-7014, Preference for Domestic Specialty Metals (JUN 2005) (10 U.S.C. 2533a).

(7) ___ 252.225-7015, Restriction on Acquisition of Hand or Measuring Tools (JUN 2005) (10 U.S.C. 2533a).

(8) ___ 252.225-7016, Restriction on Acquisition of Ball and Roller Bearings (MAR 2006) (Section 8065 of Public Law 107-117 and the same restriction in subsequent DoD appropriations acts).

(9) ___ 252.225-7021, Trade Agreements (NOV 2006) (19 U.S.C. 2501-2518 and 19 U.S.C. 3301 note).

(10) ___ 252.225-7027, Restriction on Contingent Fees for Foreign Military Sales (APR 2003) (22 U.S.C. 2779).

(11) ___ 252.225-7028, Exclusionary Policies and Practices of Foreign Governments (APR 2003) (22 U.S.C. 2755).

(12)(i) ___ 252.225-7036, Buy American Act--Free Trade Agreements--Balance of Payments Program (OCT 2006) (41 U.S.C. 10a-10d and 19 U.S.C. 3301 note).

(ii) ___ Alternate I (OCT 2006) of 252.225-7036.

(13) ___ 252.225-7038, Restriction on Acquisition of Air Circuit Breakers (JUN 2005) (10 U.S.C. 2534(a)(3)).

(14) ___ 252.226-7001, Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (SEP 2004) (Section 8021 of Pub. L. 107-248 and similar sections in subsequent DoD appropriations acts).

(15) ___ 252.227-7015, Technical Data--Commercial Items (NOV 1995) (10 U.S.C. 2320).

(16) ___ 252.227-7037, Validation of Restrictive Markings on Technical Data (SEP 1999) (10 U.S.C. 2321).

(17) ___ 252.232-7003, Electronic Submission of Payment Requests (MAY 2006) (10 U.S.C. 2227).

(18) ___ 252.237-7019, Training for Contractor Personnel Interacting with Detainees (SEP 2006) (Section 1092 of Public Law 108-375).

(19) ___ 252.243-7002, Requests for Equitable Adjustment (MAR 1998) (10 U.S.C. 2410).

(20)(i) ___ 252.247-7023, Transportation of Supplies by Sea (MAY 2002) (10 U.S.C. 2631).

(ii) ___ Alternate I (MAR 2000) of 252.247-7023.

(iii) ___ Alternate II (MAR 2000) of 252.247-7023.

(iv) ___ Alternate III (MAY 2002) of 252.247-7023.

(21) ___ 252.247-7024, Notification of Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631).

(c) In addition to the clauses listed in paragraph (e) of the Contract Terms and Conditions Required to Implement Statutes or Executive Orders--Commercial Items clause of this contract (FAR 52.212-5), the Contractor shall include the terms of the following clauses, if applicable, in subcontracts for commercial items or commercial components, awarded at any tier under this contract:

(1) 252.225-7014, Preference for Domestic Specialty Metals, Alternate I (APR 2003) (10 U.S.C. 2533a).

(2) 252.237-7019, Training for Contractor Personnel Interacting with Detainees (SEP 2006) (Section 1092 of Public Law 108-375).

(3) 252.247-7023, Transportation of Supplies by Sea (MAY 2002) (10 U.S.C. 2631).

(4) 252.247-7024, Notification of Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631).

(End of clause)

252.232-7003 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS (MAY 2006)

(a) Definitions. As used in this clause--

(1) Contract financing payment and invoice payment have the meanings given in section 32.001 of the Federal Acquisition Regulation.

(2) Electronic form means any automated system that transmits information electronically from the initiating system to all affected systems. Facsimile, e-mail, and scanned documents are not acceptable electronic forms for submission of payment requests. However, scanned documents are acceptable when they are part of a submission of a payment request made using one of the electronic forms provided for in paragraph (b) of this clause.

(3) Payment request means any request for contract financing payment or invoice payment submitted by the Contractor under this contract.

(b) Except as provided in paragraph (c) of this clause, the Contractor shall submit payment requests using one of the following electronic forms:

(1) Wide Area WorkFlow-Receipt and Acceptance (WAWF-RA). Information regarding WAWF-RA is available on the Internet at <https://wawf.eb.mil>.

(2) Web Invoicing System (WInS). Information regarding WInS is available on the Internet at <https://ecweb.dfas.mil>.

(3) American National Standards Institute (ANSI) X.12 electronic data interchange (EDI) formats.

(i) Information regarding EDI formats is available on the Internet at <http://www.X12.org>.

(ii) EDI implementation guides are available on the Internet at <http://www.dod.mil/dfas/>.

(4) Another electronic form authorized by the Contracting Officer.

(c) If the Contractor is unable to submit a payment request in electronic form, or DoD is unable to receive a payment request in electronic form, the Contractor shall submit the payment request using a method mutually agreed to by the Contractor, the Contracting Officer, the contract administration office, and the payment office.

(d) In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payments requests.

(End of clause)